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L A T E N E W S

Egypt's third official cotton estimate places the 1953-54 crop at 1,461,000 bales (of 500 pounds gross) compared with the December estimate of 1,259,000 bales and the final estimate of 2,047,000 for 1952-53. The latest estimate includes 524,000 bales of long staple (Ashmouni and Zagora), 398,000 medium long staple (Giza 30 and Giza 31), 506,000 extra long staple (Karnak and Menoufi), and 34,000 scarto (ungraded cotton).

The ban on exports of Ashmouni and Zagora Grades Good plus 1/4 and lower, in effect since last October, was lifted on April 14, 1954. On April 15 the Government announced a graduated scale of prices to be paid to farmers for the 1954 crop instead of the fixed schedule published in Foreign Crops and Markets, March 15, 1954. The previous schedule will be in effect during the first 2 months of the season and increased by .5 tallari per cantar (.29 cent a pound) at 2-month intervals to a price of 1 tallari (.57 cent) above the beginning season price.

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Cotton consumption in France in February was reported at 112,000 bales (of 500 pounds gross), a slight reduction from the January total of 114,000 bales due to fewer working days. Imports in February totaled 108,000 bales, including 49,000 from the United States and 25,000 from Turkey and Syria. Stocks of 309,000 bales reported at the end of February were 9,000 lower than those of a month earlier.

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FOREIGN CROPS AND MARKETS

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REVISED 1953-54 POTATO PRODUCTION ESTIMATE

The revised 1953-54 estimate of potato production in 71 countries is 8.2 billion bushels. This is 6 percent more than the 1952-53 revised estimate, but 2 percent less than the prewar average estimate of 8.4 billion bushels.

The principal revisions in the 1953-54 estimate are for potato acreages and production in certain countries of Eastern Europe. The original estimates were too high in some countries and too low in others. The net result is a downward adjustment for the whole of Eastern Europe of 90 million bushels from the preliminary estimate made last fall. This change affects the entire series of figures in the countries concerned for several years back.

The most significant revisions in western areas occurred in Germany, France and the United Kingdom. The revisions were downward in France and Germany by 22 million and 54 million bushels, respectively, from the high preliminary estimates of last fall of 955 million bushels for Germany and 522 million bushels for France. The revision was upward in the United Kingdom by 10 million bushels from a preliminary estimate of 300 million bushels last fall.

There was no widespread potato shortage in any Western European country last winter, despite rumors to the contrary. There were shortages of supplies in stores and distribution channels when the movement of potatoes from the farms to market was slowed, due to the long spell of cold and freezing weather.

The large supplies of potatoes in the United States and Canada caused low prices during most of the season and problems arose in the United States because of imports from Canada during late winter and the early spring months. Later, the reverse was true. The Canadians became concerned as low prices in the United States appeared to be reflected in lower Canadian domestic prices. (For further details, see <u>Foreign Agriculture Circular</u> FFV 9-54, April 16, 1954.)

About 5 percent of the world's potatoes are produced in North America where the United States and Canada produce 98 percent of the continental total. About 34 percent of the production is in Western Europe and 24 percent in the countries of Eastern Europe, excluding the U.S.S.R. The U.S.S.R. produced about 31 percent of the total.

Final reports are not yet available from the Southern Hemisphere where much of the harvest of the 1953-54 crop has only recently been completed, but less than 6 percent of the total world production comes from the Southern Hemisphere.

This is one of a series of regularly scheduled reports on world agricultural production approved by the Foreign Agricultural Service Committee on Foreign Crop and Livestock Statistics. It is based in part upon U.S. Foreign Service reports.

(See table on following pages)

POTATOES: Acreage, yield and production in specified countries, averages 1935-39 and 1945-49, annual 1952-53

Country and Continent	Acreage: Average 1935-39	Acreage: Average 1945-49	Acreage: 1952	Acreage: 1953 1/	Yield per acre: Average 1935-39	Yield per acre: Average 1945-49	Yield per acre: 1952	Yield per acre: 1953 1/	Production: Average 1935-39	Production: Average 1945-49	Production: 1952	Production: 1953 1/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
NORTH AMERICA:												
Canada	539	373	297	321	124	175	202	207	66,571	65,300	60,071	66,469
El Salvador	1	1	2	2	22	35	50	50	22	41	100	100
Guatemala	9	10	10	10	41	48	48	48	383	483	475	475
Honduras	3	4	4	4	18	35	38	38	60	133	150	150
Mexico	37	69	77	75	69	68	66	60	2,547	4,693	5,116	4,500
Panama, Republic of	1	1	1	1	40	74	37	35	30	74	37	35
United States	3,033	2,284	1,402	1,508	117	189	249	248	355,504	431,641	349,098	373,711
Bermuda	2	1	1	1	40	55	45	50	79	55	45	50
Cuba	20	24	25	25	95	125	152	160	1,894	3,009	3,800	4,000
Dominican Republic	2	4	2	4	48	30	38	19	96	69	77	75
Jamaica	2	3	3	3	30	30	25	25	60	33	75	75
Total	3,649	2.774	1,824	1,954	117	182	230	230	427,246	505,531	419,044	449,640
EUROPE:												
Austria	507	423	420	442	206	168	225	271	104,632	71,135	94,335	119,783
Belgium	2/ 425	233	234	239	2/ 294	287	356	319	2/124,801	66,803	83,217	76,156
Denmark	188	277	269	255	254	265	317	264	47,668	73,312	85,245	67,240
Finland	213	211	239	230	228	205	231	223	48,624	43,305	55,253	51,339
France	3,786	2,863	2,595	2,600	167	161	174	209	631,052	460,217	451,142	543,812
Germany, Western	2,871	2,660	2,834	2,876	250	237	309	313	718,100	631,000	876,478	901,490
Greece	53	75	97	92	100	140	172	172	5,308	10,487	16,663	15,829
Iceland	2	2	2	2	142	136	180	175	284	273	360	350
Ireland	328	379	310	300	300	291	322	333	98,286	110,348	99,911	99,904
Italy	993	982	968	962	97	90	103	109	96,433	88,460	99,659	104,902
Malta	9	8	7	7	118	75	64	57	1,104	617	450	400
Netherlands	320	474	343	370	315	340	465	361	100,744	161,097	159,631	133,433
Norway	127	152	143	141	259	280	305	330	32,830	42,537	43,632	46,480
Portugal	77	195	221	223	270	170	178	177	20,755	33,180	39,414	39,538
Spain	1,125	893	890	890	152	112	155	155	170,977	99,743	137,787	137,787
Sweden	326	353	337	339	204	195	201	204	66,631	68,742	67,571	69,041
Switzerland	116	173	141	143	220	252	311	283	25,531	43,521	43,794	40,418
United Kingdom	720	1,402	990	985	254	259	296	313	182,859	362,551	292,992	308,373
Yugoslavia	699	650	592	585	89	77	70	105	62,026	50,000	41,740	61,361
Total	12,885	12,405	11,632	11,681	197	195	231	241	2,538,645	2,417,328	2,689,274	2,817,636
Other Europe 3/	11,830	4/31,938	11,273	11,023	203	4/ 137	140	179	2,401,352	4/4,386,534	1,583,125	1,969,125
U.S.S.R (Europe and Asia)	20,203	—	23,400	23,000	134	—	111	109	2,713,054	—	2,600,000	2,500,000
ASIA:												
Cyprus	6	10	14	12	148	135	134	158	958	1,350	1,882	1,900
Israel 5/	1	2	9	9	84	58	201	200	84	1,212	1,839	1,800
Lebanon	6/ -	11	9	9	6/ -	121	102	122	6/ -	1,335	919	1,102
Syria	7/ 17	8	10	10	7/ 90	83	74	59	7/ 1,531	689	735	588
Turkey	135	151	252	250	49	79	127	147	6,645	11,897	32,077	36,743
India	400	542	608	603	100	97	119	116	40,000	52,733	72,128	70,000
Indonesia	27	14	18	18	72	50	56	56	1,941	698	1,000	1,000
Japan	388	531	489	492	165	141	189	178	64,103	74,930	92,409	87,670
North Korea	221	237	260	250	77	74	62	64	17,097	17,559	16,000	16,000
South Korea	47	120	95	100	95	85	95	100	4,447	10,240	9,000	10,000
Philippine Islands	1	1	1	1	70	70	70	70	9	8	8	8
Total	1,243	1,627	1,765	1,754	110	106	129	129	136,815	172,651	227,997	226,811

SOUTH AMERICA:												
Argentina	311	432	400	400	85	86	100	100	26,523	36,978	40,000	40,000
Bolivia	125	150	175	175	56	53	57	57	7,000	8,000	10,000	10,000
Brazil	168	325	382	370	94	71	71	68	15,775	23,202	27,265	25,000
Chile	121	131	132	130	129	152	152	154	15,622	19,910	20,118	20,000
Colombia	167	242	250	250	81	71	72	72	13,467	17,222	18,000	18,000
Ecuador	62	62	60	60	72	45	50	50	4,450	2,806	3,000	3,000
Peru	400	450	598	605	75	81	82	81	30,157	36,601	48,795	49,000
Uruguay	18	22	25	25	63	56	60	60	1,135	1,239	1,500	1,500
Venezuela	15	15	12	17	24	37	83	83	367	551	1,000	1,000
Total	1,387	1,829	2,034	2,027	83	80	83	83	114,496	146,509	169,678	167,500
AFRICA:												
Algeria	45	45	55	55	124	126	164	164	5,575	5,690	9,000	9,000
Belgian Congo	3	3	7	7	110	125	86	86	288	358	600	600
Egypt	10	33	25	28	181	198	225	245	1,813	6,540	5,633	6,865
Eritrea	1	2	2	2	36	40	40	40	6	88	80	80
Madagascar	31	53	45	45	52	46	20	20	1,615	2,416	909	900
Mauritius	1	1	1	1	131	81	125	125	31	81	125	125
Mozambique	3	5	1	1	78	75	75	75	78	118	120	120
Nigeria & Cameroons	2	2	1	1	30	37	40	40	21	29	40	40
Southern Rhodesia	3	5	4	4	81	87	100	100	254	437	400	400
Tunisia	6	5	5	5	65	134	132	147	393	681	661	735
Union of South Africa	89	151	140	150	88	67	71	92	6,697	10,143	10,000	13,750
Total	194	305	286	299	86	87	96	109	16,771	26,581	27,568	32,615
OCEANIA:												
Australia	114	144	125	125	113	136	125	134	12,900	19,577	15,680	16,800
New Zealand	21	20	16	15	221	232	152	224	4,651	4,634	2,427	3,360
Total	135	164	141	140	130	148	128	144	17,551	24,211	18,107	20,160
WORLD TOTAL	51,526	51,042	52,355	51,878	162	150	148	158	8,365,930	7,679,345	7,734,793	8,183,487

1/ Preliminary. 2/ Not comparable with later years as prewar years apparently include small farms and gardens. 3/ Includes Albania, Bulgaria, Czechoslovakia, Germany (Eastern Zone) Hungary, Poland and Romania. 4/ Includes U.S.S.R. 5/ Jewish farming only. 6/ Included with Syria. 7/ Includes Lebanon.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of U.S. Foreign Service officers, results of office research and other information. Years shown refer to year of harvest in the Northern Hemisphere and included the harvest immediately following in the Southern Hemisphere. Averages are for years stated or for the nearest comparable period. The yields per acre for countries having a small production were calculated on the basis of unrounded estimates of acreage.

U. S. BEAN EXPORTS OFF 27 PERCENT IN FIRST HALF OF CURRENT MARKETING SEASON

Exports of United States beans for the first half of the current marketing year which began September 1, 1953 totaled 1.4 million bags. This was 541,000 bags or 27 percent less than in the first 6 months of the previous season.

The major drop was in the census classification "other beans" i.e., colored beans other than red kidney. This season the bulk of this category of exports probably were pintos and red beans. The major market involved in the decrease was Mexico which took 68 percent less beans than a year ago. The 6-months' total shipment to Mexico this season was 261,000 bags compared with 819,000 bags a year earlier.

Exports also were off to Cuba by 80,000 bags, to the Netherlands by 125,000 bags and to Germany by 110,000 bags. These 4 major markets, including Mexico, took 1.6 million bags last season and only 775,000 this season for a total decrease of 825,000 bags.

Partially offsetting this decrease was an increase of 365,000 bags to the United Kingdom, 40,000 bags to Greece, and 36,000 bags to Yugoslavia. The United Kingdom and Greece took white beans and Yugoslavia red Kidney beans. Of these 3 countries only Greece took any appreciable quantity during this period last season.

The reduction of exports to Mexico was significant for reasons other than the quantity involved. It indicates a possible turn toward self-sufficiency in beans which Mexico had prior to mid-1951. Available statistics indicate, however, that annual disappearance of beans in Mexico has exceeded 5 million bags in each of the past 5 years. In only 2 years of those 5 years, 1950 and 1951, did Mexican production reach 5 million bags. In 8 years of the last decade, Mexican bean production did not exceed 4.6 million bags. It was usually nearer 4 million bags. Mexico must continue to import beans if its production does not rise above the level of the past 5 years, or if its consumption does not decline.

BEANS, DRY (Including seed): Exports from the United States
by country of destination, September-February 1953-54, with comparisons

Country of destination	Red Kidney 1952-53	Red Kidney 1953-54	White 1952-53	White 1953-54	Seed, All Types 1952-53	Seed, All Types 1953-54	Other 1952-53	Other 1953-54	Total 1952-53	Total 1953-54
	(1,000 - 100 pound bags)									
Canada	2	1/ -	15	21	3	3	1	5	21	29
Mexico	1/ -	4	33	35	1	9	785	213	819	261
Cuba	113	106	126	68	1/ -	1	183	166	422	341
Venezuela	1	5	10	8	1/ -	1/ -	2	5	13	18
Philippine Republic	1/ -	1/ -	4	4	0	0	1	0	5	4
Germany, Western	0	2	149	36	0	0	0	0	149	38
Yugoslavia	0	36	0	0	1	1	0	0	1	37
United Kingdom	0	0	4	368	1/ -	1/ -	0	0	4	368
Netherlands	0	0	254	127	5	8	0	1/ -	259	135
Belgium	0	0	53	24	1/ -	0	0	0	53	24
Greece	0	0	66	105	0	0	0	0	66	105
Israel & Palestine	0	0	119	33	0	0	0	0	119	33
Italy	0	0	22	10	0	0	0	0	22	10
Spain	0	0	0	10	0	0	0	0	0	10
France	0	0	1/ -	1/ -	4	1/ -	0	1/ -	4	1/ -
Other	7	9	8	12	3	2	6	4	24	27
Total	123	162	863	861	17	24	978	393	1,981	1,440

1/ Less than 500 bags.

Compiled from official records of the Bureau of the Census.

CHILE SETS PRICES ON MILK
AND DAIRY PRODUCTS

The Ministry of Agriculture of Chile has established the producer price for milk for fluid consumption at the equivalent of 12.07 cents per quart for the marketing year of April 1954 to March 1955. Prices are set seasonally with a price of $5.93 a hundredweight for 3.25 percent butterfat content being paid to producers during the April through September period and $5.36 per hundredweight for 3.15 percent butterfat content from October through March. These compare with an average annual price to producers in 1953 marketing year of 7.76 cents per quart. The increase was made necessary because many farmers in the Santiago milkshed had abandoned the dairy business because of low prices and, as a result, there was a chronic shortage of milk during the winter months.

The ceiling price of 12.07 cents per quart at retail to consumers was maintained by a government subsidy from 1.72 cents to 2.1 cents per quart payable to processors. A retail ceiling price of 15.47 cents per quart was originally recommended, but consumer groups protested the increase and the subsidy was instituted. The Government intends to request the congress for funds to pay the milk subsidy, but until such an appropriation is made the subsidy is being paid from funds of the Council for Agricultural Development and Research.

Ceiling prices on butter are as follows: 87.6 cents per pound at whole-sale in bulk; 99.8 cents per pound wholesale, packaged; 1.06 cents per pound at retail in packages. Butter prepared by the Santiago pasteurizing plants has a fixed retail price of 1.37 cents per pound. The ceiling retail price on cheese is set at 57.78 cents per pound.

JAMAICA EMBARGOES U. S.
PORK SUPPLIES

On April 1 the Jamaican Department of Agriculture placed an embargo on the shipment of United States pork and pork products into the British West Indies Island, ostensibly to prevent the introduction of the hog disease vesicular exanthema. The Jamaican Government also barred meat of all types originating in countries other than the United Kingdom and Northern Ireland, Ireland, Canada, Australia, New Zealand and the United States.

For many years Jamaica has been a minor outlet for United States meat products. Exports of meat products from the United States during 1953 totaled 939,000 pounds, including 864,000 pounds of pork and pork sausage. The principal items shipped were pickled, cured and salted products other than ham and bacon. Canada has been the principal foreign source of supply for the island and meat products have chiefly been secured from the few countries now allowed to make shipments.

MEAT PRODUCTION INCREASING IN YUGOSLAVIA

Marked increases in pork production and moderate increases in output of beef, mutton and goat meat in Yugoslavia are expected in 1954 on the basis of the latest information from the American Embassy, Belgrade.

The livestock situation is more favorable than during the past two years. There were adequate feed supplies in most areas during the rather severe winter just passed. Feed supplies are now large enough to encourage the fattening of lambs and cattle so as to produce livestock and meat of higher quality for export. Most of the exportable surplus is produced on the larger Governmental farms but it is possible for the output of individual producers to be exported as there are no restrictions on the sale of home grown products in local markets.

Since 1950 compulsory delivery of livestock and livestock products to the state has not been required. There is a tendency for sheep producers to milk fewer sheep and let the ewes raise better market lambs rather than to milk the ewes and obtain smaller lambs. Normally the ewes are partially milked and in this way the lambs make relatively poor gains. Prices of corn are high but meat-animal prices are much higher so that increased grain feeding especially of hogs, is profitable.

Exports of live cattle and calves from Yugoslavia during the first half of 1953 totaled more than 34,000 head. Over 87,000 sheep and goats were exported, more than 6,000 hogs, and 13,500 horses. In addition to the live animals over 3 million pounds of meat were shipped to other countries.

Livestock numbers in Yugoslavia were last reported on the basis of a census taken as of January 15, 1953. At the first of 1953 cattle numbers were officially reported at 4,977,000 head, 2 percent above a year earlier but 5 percent below 1949. The number of sheep was reported to be 11,347,000 head, 3 percent below 1949. But the 4,500,000 hogs on hand January 15, 1953 were the greatest in the 5-year period. The number of horses increased each year except 1950 and the 1,121,000 head in early 1953 was reported to be 7 percent greater than in 1949.

HIGHER COTTON YIELDS IN EL SALVADOR

Increased cotton production in El Salvador during 1953-54 in spite of a sharp acreage reduction is attributed to favorable weather and more intensive use of insecticides, according to Richard C. Desmond, Agricultural Attache, San Salvador. A crop of 48,000 bales (of 500 pounds gross) was produced from 54,000 acres in 1953-54, as compared with 45,000 bales from 71,000 acres in 1952-53.

Of the estimated production of 48,000 bales, approximately 12,000 will be consumed by Salvadoran mills, 6,000 bales were destroyed by a warehouse fire in February 1954 leaving 30,000 bales of the 1953 crop available for export. Only 5,000 bales of the latter figure remain to be sold. Stocks of old-crop cotton on hand July 31, 1953, were previously estimated at 13,000 bales, about half of which may be considered as additional surplus for export in 1953-54. Harvesting is usually begun in late November or December.

The price obtained for export sales has averaged 35.60 U.S. cents per pound for Middling 1-1/16 f.o.b. Salvadoran port. Domestic prices have been comparable. The necessity for using large quantities of insecticide makes cotton production very expensive in El Salvador. It is estimated that at current prices production costs per acre are equivalent to the farm-sales value of about 350 pounds of cotton. Since the yields for the present season (430 pounds per acre) have averaged well above this rate the crop has been profitable. Cotton acreage is expected to be increased by about 8,000 acres in the coming season.

SWEDEN'S CIGARETTE CONSUMPTION CONTINUES UPWARDS

Sweden's 1953 consumption of cigarettes (including imported brands) was about 2.5 percent larger than in 1952, and about three times the prewar level. Of a total of 5,245 million cigarettes sold last year, 679 million were United States-made, and sold through a third country. Cigarette sales in 1952 totaled 5,121 million. United States-made cigarettes accounted for 12.9 percent of total consumption last year, and 10.3 percent in 1952. On April 1, 1954, prices for cigarettes were advanced about 5 percent. Swedish monopoly officials expect cigarette consumption to show further increases despite the price rise.

United States tobacco accounts for about 60 percent of the total leaf used in Swedish factories. In 1953, some 10.9 million pounds, out of a total of 18.1 million pounds used, were of United States origin. For the period 1947-51, usings of United States tobacco averaged about 10 million pounds, and for the prewar period (1934-38) about 7.5 million. Developments in the cigarette situation in Sweden hold the key to future imports of our flue-cured and Burley leaf. Exports of dark tobaccos have already suffered as a result of a sharp decline in snuff consumption.

Until recently the dollar shortage has restricted purchases of United States tobacco, although the Swedish government has been fairly liberal in allocating dollars for tobacco purchases. Since the supply of dollars is more ample than a year ago, some increase in imports from this country may result. During the 1953-54 marketing season, Swedish purchases of United States tobacco at auction were as follows: Flue-cured, 7.9 million pounds; Burley, 2.1 million; Virginia fire-cured, 0.4 million and Kentucky-Tennessee, 0.8 million pounds.

ALGERIA'S PURCHASES OF
U.S. TOBACCO REMAIN LOW

Dollar allocations for Algerian imports of United States leaf in 1954 are expected to be quite small, and hardly any purchases here will be made, according to the American Consulate General at Algiers. It is also anticipated that no dollars will be available in 1954 for the purchase of American cigarettes or other tobacco products. Stocks of United States leaf on hand at the end of the year were practically exhausted, and all the principal manufacturers have requested the Consulate General for assistance in procuring additional leaf supplies from this country.

Manufacturers place minimum requirements of United States leaf, particularly for use in manufacturing American-type blended cigarettes, at more than 4 million pounds, but only 0.4 million were imported in 1953. The 1952 imports from the United States totaled 1.2 million pounds.

In addition to the small supply of dollars available for United States tobacco, Algerian manufacturers are complaining that the price of United States tobacco for blending purposes is so high that they are forced to turn to other markets for substitutes.

MOZAMBIQUES'S VEGETABLE OIL OUTPUT
EXPECTED NEAR 1953 LEVEL

Mozambique's 1954 production of vegetable oils is expected to be approximately the same as in 1953 when 15,980 short tons were produced, according to the American Consulate General, Lourenco Marques. Principal oils produced in 1953 were peanut--4,590 tons, coconut--6,110, cottonseed--3,020, and mafurra seed--2,140 tons. Oilcake production last year was 15,980 tons.

Consumption of vegetable oils in Mozambique was reported at 2,440 tons of edible oils and 2,540 tons of inedible oils. Exports last year included peanut oil--2,340 tons, cottonseed oil--1,398 tons, coconut oil--5,323 tons, oilcake for feed-15,653 tons, and oilcake for fertilizer--2,794 tons.

Average export sale prices in terms of U.S. dollars equivalent per short ton, for specified vegetable oils were as follows: Peanut oil--$344; coconut oil--$300; cottonseed oil--$300; and mafurra seed oil--$163.

PORTUGUESE MARINE OIL
EXPORTS UP SHARPLY

Portuguese exports of marine oils in 1953 totaled 9,960 short tons, an increase of about 85 percent from 1952 shipments of 5,409 tons, according to the American Embassy, Lisbon. More than half of the 1953 exports were sperm whale oil--5,314 tons; the remaining quantity was cod liver oil--2,801 tons, and fish oil--1,845 tons.

Production of marine oils of 6,450 tons in 1953 represented a decrease of about 13 percent from 1952. The 1953 output included 2,970 tons of sperm oil (production of Madeira and Azore Islands), 2,425 tons of cod liver oil, and 1,060 tons of fish oils (mainly sardine).

IRAN'S OILSEED PRODUCTION INCREASES

Iranian production of oilseeds in 1953 is estimated at about 144,000 short tons against 131,000 tons (revised) in 1952, an increase of 10 percent, reports Henry C. Lint, Agricultural Attache, American Embassy, Tehran. The larger 1953 production is accounted for entirely by cottonseed which increased from 79,000 tons in 1952 to 93,000 tons last year. Other oilseeds produced in 1953 were sesame seed, 11,000 tons; castor beans, 8,300; poppy seed, 15,400; flaxseed, 83,000 bushels; and other oilseeds, 2,600 tons. Olive production was reported at 11,600 tons.

Since the facilities for seed pressing have not been increased, indigenous oil production in 1953 to 11,940 tons is only slightly larger than in the preceding year. The greater oilseed production, however, has made possible larger exports.

Exports of oilseeds from Iran for the 12-month period November 22, 1952 to November 21, 1953, were 32,510 tons against 19,124 tons in the preceding 12 months, an increase of almost 70 percent. Almost half, or 15,631 tons, of the oilseed exports went to Germany. Other important destinations were Japan, 3,192 tons, Italy, 3,094; the Netherlands, 2,679; the United States, 1,846; and France, 1,614 tons. Combined imports of animal and vegetable fats were 7,415 tons for the Iranian calendar year ending March 21, 1953, compared with 3,779 tons in the previous year. The bulk of the imports for this period came from Kuwait and the Netherlands. Iranian imports of animal and vegetable fats and oils in the 8-month period ending November 21, 1953, amounted to 4,118 tons.

Wholesale prices of certain oilseeds in the Tehran market in March 1954 were as follows: Sesame seed, 18 rials per kilo ($181 per short ton); castor beans, 8 rials ($81); poppy seed, 10.4 rials ($105); and flaxseed, 11.2 rials per kilo ($3.16 per bushel). Cottonseed was quoted at 2 to 5 rials per kilo ($20 to $50 per short ton). The wide spread in cottonseed prices is due to the fact that the Government sells good seed to growers at 2 rials per kilo whereas commercial sales are near the 5 rial level. Non-edible vegetable oil prices in the Tehran market were 29 to 32 rials per kilo (15 to 16 cents per pound) and edible vegetable oils and oleomargarine at 59 to 63 rials per kilo (30 to 32 cents per pound).

JAPAN'S RAPESEED ACREAGE DOWN

A substantial reduction in Japanese rapeseed output in 1954 from the 318,500 short tons produced last year is indicated by a decrease of 18 percent in the area sown to this crop, reports J. C. Dodson, Agricultural Attache, American Embassy, Japan. Plantings dropped from 605,000 acres in 1952 to 495,000 acres last fall after a steady expansion in rapeseed acreage since the end of the war.

The principal reason for the acreage decrease was the decline in rapeseed prices of about 17 percent from early 1953 to the fall planting season. This price decline resulted partly from heavy imports of soybeans, but probably also from a limitation in the market demand for rapeseed oil.

Sesame production in 1953 in Japan was reported at 5,200 tons from 16,000 acres and flaxseed at 145,700 bushels from 43,000 acres. Data regarding 1954 plantings of sesame and flaxseed are not yet available.

DENMARK RESTRICTS EXPORTS OF PORK

The Minister of Agriculture of Denmark on March 26 announced that exports of hams and other pork products would be limited in order to meet Denmark's agreement to supply bacon to the United Kingdom under its current contract.

Restrictions on ham exports directly affect hog producers in the United States as 80 percent of the shipments are destined to this country. United States imports of Danish hams, shoulders and bacon in 1953 totaled over 15 million pounds compared with less than 9 million in 1952 and 4 million in 1951. Denmark was the third largest supplier of these products last year. The United States Department of Agriculture inspected 5.4 million pounds of canned hams from Denmark in January-March 1954 for entry into the country.

The decision to limit exports was particularly difficult to make in view of Denmark's desire to maintain pork exports at a high level and the fact that the United States market is one of the most attractive outlets for its canned hams.

Effective April 1 monthly exports of Danish hams were restricted to a maximum of around 2 million pounds for a period up to 3 months. Exports of other pork products to countries other than the United Kingdom were limited to around 550,000 pounds a month. Exports are to be allotted to exporters on the basis of the size of their exports during the previous 9 months. The best season for sending hams to the United States is early in the year for the Easter market and exports fall off sharply in the fall when pork supplies in the United States increase substantially.

The British-Danish bacon agreement requires Denmark to deliver to the United Kingdom between October 1, 1953 and September 30, 1954, 90 percent of its total pork surplus but not more than 507 million pounds. In October British importers stated that they preferred to obtain less than the maximum quantity but because of the planned derationing of meats on July 1 they are now anxious to obtain larger deliveries than they have been receiving. Demand for Danish pork in other markets has been strong. In the 6 month period beginning October 1, 1953 exports to markets other than the United Kingdom had totaled 43.4 million pounds while it had been expected that such shipments in the full year would total 60 million.

Previous moves of the Danish Government to increase bacon shipments under the contract included a ruling by the Minister of Agriculture on February 22 which prohibited all exports of pork produced from sows. Such meat could then be used for canning, permitting the use of more meat from butcher hogs for processing into bacon. At that time the cooperative slaughterhouses agreed to salt down 65 percent of all bacon hogs received and use the meat for shipment to the United Kingdom. Bacon in British parlance refers to cured hog sides and is not confined to the side meat which normally is cured for bacon in the United States. On March 22 shipments ofsow carcasses to West Germany were permitted and on April 5 shipments of up to 331,000 pounds a week were allowed to other countries.

BRAZIL MAKES FOREIGN EXCHANGE AVAILABLE FOR BABY CHICKS

Foreign exchange for the importation of baby chicks for breeding purposes in Brazil can now be purchased at special auctions handling only agricultural items, according to C.A. Boonstra, Agricultural Attache, American Embassy, Rio de Janeiro. Baby chicks as well as livestock for breeding were added in a March 30 revision of the list first published last March 11, which included specified agricultural supplies.

Foreign exchange premiums in order to stimulate the purchase abroad of baby chicks and other supplies averaged about 12 cruzeiros per dollar at the Government's first special exchange auction. This is less than half the premiums that would be paid at the regular exchange auction. This improves substantially the opportunities of United States exporters of baby chicks in regaining the market lost in 1953.

In 1952 the United States exported 15,000 baby chicks to Brazil primarily for breeding purposes. In 1953, however, none were exported partly because of the tight foreign exchange situation previously mentioned.

WORLD BUTTER AND CHEESE PRICES

DAIRY PRODUCTS: Wholesale prices at specified markets
April, 1954, with comparisons
(U. S. cents per pound)

Country, market and description	Butter				Cheese			
	Date	Price	Quotations: Month earlier	Quotations: Year earlier	Date	Price	Quotations: Month earlier	Quotations: Year earlier
United Kingdom (London)								
National butter	April 9	45.5	45.6	36.6	-	-	-	-
Ration varieties	-	-	-	-	April 6	27.3	27.3	25.2
Australia (Sydney)								
Choicest butter	April 1	42.0	42.0	42.0	-	-	-	-
Choicest cheddar	-	-	-	-	April 1	25.7	25.7	25.7
Irish Republic (Dublin)								
Creamery butter								
(Domestic)	April 7	55.0	55.0	55.4	-	-	-	-
(Imported)	April 7	49.2	-	-	-	-	-	-
- - - -	-	-	-	-	April 7	31.0	30.8	29.0
Denmark (Copenhagen)	April 1	44.9	44.7	45.4	-	-	-	-
France (Paris)								
Charentes								
Creamery butter	April 1	74.3	94.6	95.9	-	-	-	-
Germany (Kempten)								
Markenbutter	Mar. 31	60.9	60.5	60.9	-	-	-	-
United States								
92-score creamery								
(N.Y.)	Mar. 26	(65.4)	(65.6)	(65.4)	-	-	-	-
Cheddar (Wisconsin)	-	-	-	-	Mar. 26	(33.8)	(33.8)	(35.8)
Netherlands (Leeuwarden								
Creamery butter 1/	Mar. 27	46.2	46.1	46.2	-	-	-	-
Full cream Gouda	-	-	-	-	Mar. 26	22.2	24.7	23.8
Edam 40 percent	-	-	-	-	Mar. 26	20.7	22.2	22.4
Belgium (Hasselt)	April 1	74.9	75.7	81.7	-	-	-	-
Canada (Montreal)								
1st grade creamery	Mar. 27	62.2	63.1	63.4	-	-	-	-
Ontario white	-	-	-	-	Mar. 27	32.0	31.7	30.4

1/ Ex-factory.

Source: Intelligence Bulletin, The Commonwealth Economic Committee, except where figures appear in parenthesis.

THAILAND RICE EXPORTS
BELOW PRECEDING YEAR

Exports of rice from Thailand in 1953 of 1,336,219 metric tons (1 metric ton equals 2204.6 pounds) were the lowest since 1949. The largest reduction occurred in the case of India where only 4,227 tons were shipped as compared with 177,300 tons in 1952, and 230,000 tons in 1951. Exports to Indonesia were also sharply reduced, with a 1953 shipment of only 29,164 tons compared with 191,800 in 1952, and 186,000 in 1951. In other areas Thailand was able to maintain about average exports.

THAILAND: Rice exports, by country of destination, 1948-1953

Country of destination	1948	1949	1950	1951	1952	1953
	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons
U.K. & Br. Territ.						
Malaya	155,055	260,669	402,596	363,200)	383,500	306,840
Singapore	-	-	6,780	30,500)		64,558
Hong Kong	60,018	53,585	133,586	106,600	175,600	241,315
Sarawak	11,484	14,561)	1/ 30,380	19,900	13,000	11,970
British No. Borneo	10,258	10,247)		11,000	7,100	8,250
United Kingdom	4,500	26,100	30,000	500	3,200	2,680
Total	241,315	365,162	603,342	531,700	582,400	635,613
Japan	0	81,870	326,850	354,790	297,900	477,301
Korea	19,723	0	29,700	36,288	49,600	99,815
Indonesia	78,451	135,650	95,043	186,250	191,800	29,164
Netherlands	6,499	23,400	73,931	60,390	28,500	28,469
Ceylon	10,500	87,006	30,368	0	16,300	0
Philippines	59,740	37,851	6,444	110,220	30,100	0
China	220,505	78,538	26,200	0	0	0
Mauritius	0	0	0	1,235	0	7,873
Germany	0	0	0	210	2,300	5,000
India	165,777	313,734	88,162	230,100	177,300	4,227
New Guinea	0	0	0	5,475	5,100	4,005
Near East	0	3,798)	51,041	8,130	15,000	7,352
Africa	0	0)		10,140	16,000	24,810
Ireland	500	2,891	0	560	200	238
Canada	0	0	5,947	1,200	0	0
Portuguese Macao	0	1,500	45,807	0	0	0
Okinawa	0	0	0	0	9,400	500
Belgium	0	1,250	4,740	17,020	5,000	500
Other Europe	2,799	19,153	4,373	1,330	800	308
Other countries 2/	6,417	64,050	91,300	522	300	11,044
Total	812,226	1,215,753	1,483,248	1555,560	1,428,000	1,336,219

1/ Sarawak, British Borneo, and Dutch Borneo.
2/ Including infested, lost and damaged rice.

Compiled from Embassy reports.

In recent years the British Territories have accounted for a third to almost a half of the total exports, and Japan has been second largest destination. India has been drawing a larger proportion of rice import supplies from Burma, and this trend seems likely to be maintained, or even to become more pronounced. The Philippines, once large takers of Thai rice, have for the time being reached a state of self-sufficiency. Rice was not imported in 1953, and no imports are expected in 1954.

THAILAND: Monthly rice prices, f.o.b. Kohsichang 1/, by grade, 1953

Month	Whole white rice	White rice 5-10 percent broken	White rice 15- percent broken	White rice 20-percent broken	Large brokens	Small brokens
	Dollars per m. ton	Dollars per m. ton	Dollars per m. ton	Dollars per m. ton	Dollars per m. ton	Dollars per m. ton
January	248.80	233.60	227.30	223.00	163.90	108.65
February	246.00	232.40	226.10	221.90	158.00	110.50
March	251.00	236.50	230.60	226.40	164.50	120.00
April	249.00	233.00	226.00	221.00	160.00	113.25
May	247.50	232.75	225.50	220.50	158.00	113.00
June	245.25	230.25	224.00	219.00	157.00	114.25
July	245.00	225.25	219.00	213.00	155.00	112.75
August	242.00	216.75	207.50	202.50	147.00	109.00
September	236.50	205.25	194.50	185.00	134.50	104.75
October	236.00	195.00	189.00	182.50	131.00	103.00
November	226.75	199.75	193.50	188.00	130.50	101.50
December	218.25	193.25	189.00	183.50	128.00	100.00
	Dollars per 100 pounds	Dollars per 100 pounds	Dollars per 100 pounds	Dollars per 100 pounds	Dollars per 100 pounds	Dollars per 100 pounds
January	11.29	10.60	10.31	10.12	7.43	4.93
February	11.16	10.54	10.26	10.07	7.17	5.01
March	11.39	10.73	10.46	10.27	7.46	5.44
April	11.29	10.57	10.25	10.02	7.26	5.14
May	11.23	10.56	10.23	10.00	7.17	5.13
June	11.12	10.44	10.16	9.93	7.12	5.18
July	11.11	10.22	9.93	9.66	7.03	5.11
August	10.98	9.83	9.41	9.19	6.67	4.94
September	10.73	9.31	8.82	8.39	6.10	4.75
October	10.70	8.85	8.57	8.28	5.94	4.67
November	10.29	9.06	8.78	8.53	5.92	4.60
December	9.90	8.77	8.57	8.32	5.81	4.54

1/ Packed in bags of 100 kilograms net weight.
1 metric ton = 2,204.6 pounds.

Embassy report.

Indonesia is producing more rice than formerly and in addition currently is being forced to cut imports because of unfavorable trade balances. This has contributed to Thailand's problem of exporting rice. However, it is still too early in the year for the new levels of world rice prices to have been fully reflected in sales of the Thai Government. It might be expected that increased purchases of the many countries affected by lowered prices may prove to be advantageous to Thailand.

Rice exports fell off sharply last July and have not yet recovered. The policy of the Thai Government in 1952 and 1953 had followed that of other large Asian exporters in establishing high base prices for rice. At the same time, various loading charges were increased, the costs for bags were inflated and, in many cases under a system of export licenses, rice exporters were forced to pay "premium" charges. As a result, by mid-May in 1953 buyer resistance began to develop.

This reduction in rice exports is a serious matter to the Thai economy, because a substantial part of the total Government revenues accrue from the export sales of rice. The Government in 1954, therefore, has reduced the f.o.b. price of rice, drastically cut the "fobbing charges," and lowered the price of bags.

In addition, there have been new grading standards established, designed to improve qualities and to restore buyer confidence, and some attempts have been made to deliver higher grades than the contracts called for. These adjustments have not been reflected in any marked increase in orders as yet. Sales for March were around 100,000 tons, bringing the total for the first quarter of the year up to 230,000 tons as contrasted with 317,000 sold and shipped the same period last year.

THAILAND: Grades of rice exported in 1953

Grade	Volume
	Metric tons
White Rice - 100% whole grain	71,009
White Rice - 5-10% brokens	338,196
White Rice - 15% brokens	282,032
White Rice - all other grades	124,776
Large brokens	260,689
Small brokens	103,000
Glutinous Rice	150,900
Loonzain	5,000
Damaged Rice	617
Total all grades	1,336,219

The glutinous rice listed in the preceding table was reported exported mainly to Japan at about $192 C&F. Future sales of these varieties, which are produced in sizable amounts, may be increasingly difficult. Loonzain rice in the amount of 5,000 tons is reported to have been shipped to Germany last December at around $187 per metric ton f.o.b.

The 1953-54 crop will provide about 1.5 million tons for export, plus about 200,000 tons from the old crop available in the Bangkok area, or a total potential export supply during 1954 of about 1.7 million tons. The figure, however, makes no allowance for damaged rice which eventually will have to be destroyed. Some estimates of trade sources run as high as 150,000 metric tons of this type of rice.

THAILAND: Production of rough rice, for specified years, 1935-36/53-54

Year	Acreage	Yield per acre	Production
	1,000 acres	Pounds	Million pounds
Average:			
1935-36/39-40	7,088	1,353	9,588.5
1945-46/49-50	10,214	1,173	11,978.4
1951-52	14,174	1,139	16,149.6
1952-53	12,677	1,148	14,555.0
1953-54	14,200	1,197	17,000.0

Compiled from official and unofficial estimates.

EGYPT'S RICE ACREAGE ALLOTMENTS

As of April 6, an area of 365,000 acres was authorized for summer cultivation of rice irrigated by Nile river flow. This is the same area as was authorized at this same date in 1953. Ultimately, however, according to a recent press statement by the Under Secretary of State for Public Works, a total of 519,000 acres will be permitted if justified by an improvement in the Nile waters situation.

In this event the summer acreage of rice under Nile flow irrigation in 1954 would compare with 424,000 acres as finally permitted by the Ministry of Public Works in 1953.

Not under the control of the Ministry of Public Works is the area irrigated by pumps and the area supported by the Nile flood in late summer, from which two sources some 62,000 acres of rice were cultivated in 1953.

A rough measure used to indicate Egypt's exportable surplus of rice in any given year is that production from any acreage over 415,000 acres.

TURKEY'S COTTON EXPORTS
AT LAST YEAR LEVEL

Continuing the approximate level of the previous year, exports of cotton from Turkey during the first 7 months of the 1953-54 crop year, August through February, totaled 239,000 bales (of 500 pounds gross) as compared with 241,000 for the same period last year, according to L. L. Scranton, Agricultural Attache, American Embassy, Ankara. The surplus available for export in 1953-54, however, is reported to be 70,000 to 90,000 bales less than the 500,000 available last season.

Japan was the principal export market for Turkish cotton (largely 1952 stocks) during August-February. Japan entered the Turkish cotton market this year for the first time for substantial amounts, as a result of barter transactions exchanging Japanese piece goods and United States-made equipment for Turkish cotton. Other changes in the export pattern include heavier shipments to Poland, Yugoslavia, and Israel, and sharp declines in exports to Western Germany, Italy, and France. Exports to France may increase under recent trade arrangements. Reduction in exports to Western Germany and Italy may be attributed to price increases and limited availabilities of Turkish cotton coincident with unlimited availability of United States cotton at lower prices.

TURKEY: Exports of cotton by countries of destination; average 1933-37; annual 1950-52; August-February 1952-53 and 1953-54

(Bales of 500 pounds gross)

Country of destination	Year beginning August 1					
	Average 1933-37	1950	1951	1952	August-February 1952-53	August-February 1953-54
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Austria	1/	4	2	7	4	2/
Czechoslovakia	1	27	21	25	14	15
Finland	0	8	0	8	8	6
France	2/	25	61	74	51	31
West Germany	43	167	131	116	95	16
Hungary	1/	11	16	31	15	12
Italy	11	34	9	122	40	17
Netherlands	0	4	1	7	1	0
Poland	2	3	2	7	3	17
Sweden	0	2/	0	4	2	0
United Kingdom	2/	32	9	3	2	2
Japan	9	16	1	0	0	49
Other countries	3	18	8	3/ 29	6	4/ 74
Total	69	349	261	433	241	239

1/ If any, included in "Other countries." 2/ Less than 500 bales. 3/ Japan 16. 4/ Yugoslavia 34. Israel 20.

Compiled from Statistique Mensuelle du Commerce Exterieur and official reports.

The average export price of Turkish cotton for August-February 1953-54 was slightly lower than in the comparable period for the previous year, averaging 223 kurus per kilogram (36.1 cents a pound) as against a 7-month average for last year of 237 kurus (38.4 cents). By April 23, 1954, however, prices had risen to 280 kurus per kilogram (45.36 cents a pound) in quotations at Izmir for Acala I and 260 kurus (42.12 cents) for Acala II. The latter quality is nearest to American Middling 15/16-inch and was 8 cents higher than American in United States markets on that date.

The largest estimates made by two Government agencies in Turkey average about 600,000 bales for the 1953-54 crop compared with 690,000 in 1952-53. Domestic consumption of cotton is estimated at approximately 250,000 bales. Estimates of unsold stocks of cotton in all locations on March 1, 1954, range from 140,000 to 160,000 bales. The entire surplus is expected to be disposed of before the 1954 crop arrives on the market.

MALAYA'S PALM OIL AND PALM KERNEL
PRODUCTION AND EXPORTS INCREASE IN 1953

The Malayan production and exports of palm oil and palm kernels in 1953 were somewhat greater than in the previous year, reports Jack R. Johnstone, Agricultural Economic Officer, Singapore.

Palm oil production was 54,990 short tons in 1953 or 8 percent larger than in the previous year. Palm kernel production in 1953 also increased slightly over the previous year and amounted to 14,189 short tons. The increased production of these products is largely accounted for by the increase in palm tree acreage from 100,182 acres in 1952 to 109,231 acres last year. Production of both palm oil and palm kernels in the fourth quarter was greater than for other quarterly periods of 1953, amounting to 14,236 and 3,696 short tons, respectively.

Palm oil and palm kernel exports in 1953 amounted to 54,162 and 14,430 short tons, respectively, against 51,689 and 12,173 tons in 1952.

The principal recipients of the palm oil were the United Kingdom and India which accounted for 82 percent of total exports in 1953. Exports to the United Kingdom, however, were only 28,641 tons in 1953--a decrease of 22,497 tons from the previous year. In 1952 virtually all the palm oil exported went to the United Kingdom because of the control exercised by the British Ministry of Food over the Malayan production.

The bulk of palm kernel exports in 1953 went to the Netherlands, Denmark and Western Germany. Since Malayan consumption of palm kernels is negligible, the exportable surplus is about equal to production. The Netherlands was by far the most important market for palm kernels, taking 6,348 tons or 44 percent of the exports in 1953.

Continued Governmental interest in oil palms is evidenced by official research on varieties and expansion of commercial acreage during the year.

(Table on following page)

MALAYA: Palm oil and palm kernel exports, average 1935-39, annual 1952-53
(Short tons)

Country	Palm oil			Palm kernels		
	Average 1935-39	1952	1953 1/	Average 1935-39	1952	1953 1/
Canada	9,599	-	3,175	-	-	-
Denmark	-	-	-	226	2,120	3,156
Western Germany	-	-	3,833	1,410	3,417	3,155
France	-	-	-	-	0	1,524
India	908	263	15,753	-	-	-
Netherlands	-	-	1,487	1,304	5,123	6,348
United Kingdom	23,270	51,138	28,641	2,115	1,513	247
Other countries	13,583	288	1,273	3,077	-	-
Total	47,360	51,689	54,162	8,132	12,173	14,430

1/ Preliminary.

Compiled from official sources.

U.K. FATS AND OILS OUTPUT UP IN 1953-54; NET IMPORTS DOWN 1/

Production of fats and oils in the United Kingdom in 1953-54 is estimated preliminarily at 248,600 short tons, reports Assistant Agricultural Attache William Kling, American Embassy, London. While this volume represents an increase of 11 percent from the estimated output in 1952-53, it is one-fourth less than prewar. The increased output in 1953-54 from the previous year stems from increases in the output of butter, whale oil, and slaughter fats.

Net imports in 1953 into the United Kingdom, which normally must obtain 85 to 90 percent of its fats and oils supplies from outside sources, were about 10 percent less than in 1952 because of stock liquidation and reduced demand for industrial oils. A notable reduction occurred in lard imports from the United States.

Most of the fats and oils imported into the United Kingdom are obtained from British Commonwealth countries with slightly more than one-fifth obtained elsewhere in 1953, and only 2.3 percent from the United States. The trades' outlook on fats and oils prices may be described as cautious and basically bearish. Prices of most fats and oils in the past year have shown substantial declines.

1/ A more extensive statement will soon be published as a Foreign Agriculture Circular available from the Foreign Agricultural Service, U.S. Department of Agriculture, Washington 25, D. C.

Table 1 - UNITED KINGDOM: Domestic production of fats and oils, average 1934-38, 1952-53 and preliminary 1953-54

(1,000 short tons)

Commodity	Average 1934-38	1952-53	Preliminary 1953-54
Butter (fat content) 1/ 2/	43	15.4	22.0
Linseed oil 3/	-	1.7	1.1
Slaughter fats:			
Dripping (edible)	(	47.8	49.9
Tallow (inedible)	4/(106	53.8	56.0
Lard	(	6.1	7.2
Baleen whale oil output on U.K. ships and stations 5/	6/ 173	81.1	92.2
Sperm oil output on U.K. ships and stations 5/	6/ 9	10.5	9.4
Herring oil	7/	8.0	10.8
Total	331	224.4	248.6

1/ Including farm production. 2/ 1936-37 to 1938-39 average - June/May crop year. 3/ Allowance is made for feed utilization. 4/ Based on 7.0 percent of meat carcass weight from home slaughter but excluding slaughter of imported fat cattle. These series of data have been revised on the basis of new information from the Ministry of Food. 5/ Caught on vessels and land stations of U.K. ownership and flying British flag. Does not account for sales to other countries from this catch. 6/ 1936-38 average. 7/ 100 - 200 tons.

Source: American Embassy, London.

The decontrol of the fats and oils trade (see Foreign Crops and Markets, February 8, 1954, page 85 and March 22, 1954, page 232) and the issuance of open individual licenses has had a favorable effect on shipments of United States soybeans and linseed oil, but lard, tallow and cottonseed oil have been excluded from liberalization thus far.

Table 2 - UNITED KINGDOM: Imports of fats and oils, 1938 and 1951-53

(Short tons)

Commodity	1953	1952	1951	1938
Oilseeds and oil-bearing materials (in terms of oil equivalent)	531,302	563,393	497,111	561,842
Fats and oils	676,373	705,387	873,742	627,705
Finished edible products (product weight)	349,531	423,626	520,663	620,535
Total	1,557,206	1,692,406	1,891,516	1,810,082
Total imports: Less re-export (excluding sundries)	1,547,423	1,689,228	1,872,382	1,797,046
Total domestic exports	67,118	31,586	61,177	156,063
Excess imports over exports	1,480,305	1,657,642	1,811,205	1,640,983
Excess imports over exports (fat content) 1/ 2/	1,422,912	1,585,644	1,728,033	1,555,966

1/ Adjusted to include fat content only of butter, margarine, and sugar fat.
2/ Including whale and sperm oil production on British ships. Net imports in 1953 would be 1.33 million tons excluding British whaling production, 1.49 million tons in 1952 and 1.38 tons in 1938.

Source: American Embassy, London.

The relatively low rate of imports is expected to continue into 1954 because of continued stock depletion. However, overall consumption of food fats and oils will not be affected with total intake expected to rise from 45.0 pounds in 1952-53 to 45.6 pounds per capita in 1953-54. Of this total per capita consumption, an increase of butter consumption has been offset by reduced margarine and cooking fat intake. Industrial use will continue at a low level with the wide acceptance of synthetic detergents.

URUGUAYAN FLAXSEED, SUNFLOWER SEED
CROPS SMALLEST IN SEVERAL YEARS

Uruguay's 1953-54 flaxseed and sunflower seed crops are the smallest in several years, reports Dale E. Farringer, Agricultural Attache, Montevideo. Low market prices prevailing in 1953 discouraged many farmers from planting these crops. Land that might have been planted to flax was planted to wheat because of the greater profitableness of wheat.

A revised official estimate now places the 1953-54 flaxseed crop, for which the harvest has been completed, at 2,795,120 bushels. This appears to be the smallest outturn since 1942-43.

The sunflower seed crop, for which the harvest is just beginning, is forecast unofficially at approximately 65,000 short tons, grown on about 296,520 acres. This is a sharp drop from the 1952-53 production of almost 102,000 tons and probably will be the smallest crop since 1949-50.

The first or spring planted acreage was below normal but growing conditions were sufficiently favorable to produce good yields. The second or summer planting which follows the wheat harvest was smaller than usual and dry weather and largarta damage reduced yields.

Peanut area and production are not expected to be changed appreciably from 1952-53 when 18,000 acres were planted yielding 4,190 tons.

Total shipments of fats and oils and their by-products during 1953 were valued at 37.8 million pesos representing 8 percent of the value of all exports. Major exports were flaxseed, 1,602,154 bushels; linseed oil, 39,564 tons; flaxseed cake, 36,311 tons; sunflower oil, 9,320; sunflower cake, 23,640; sunflower meal, 6,854; and flaxseed meal 5,574 tons.

Flaxseed prices so far this year have not recovered from the 1953 slump and have ranged between 17.00 and 18.00 pesos 1/ per 100 kilograms delivered to Montevideo. Marketing has been slow with little offshore interest. Growers not in a hurry to sell are not accepting prices being offered. Brazil has indicated interest in flaxseed but this offer has been turned down by Uruguayan authorities. Flaxseed is not one of the commodities listed for trade in the Uruguayan-Brazilian trade agreements.

Sunflower seed quotations only started to reappear at the local commodity exchange during the last week of March. Prices for the new crop ranged from 20.50 to 22.00 pesos 1/ per 100 kilograms, delivered to Montevideo. These prices are a considerable improvement over last season's average of around 17.00 pesos and compare favorably with the 1952 average. The outlook for a small crop and good local demand are the principal factors bringing about improved prices this year. The outlook for a sunflower oil exports is not clear at this time because of the small crop.

1/ Exchange rates for the Uruguayan peso are: controlled, 1.90 pesos to one U.S. dollar; commercial free, 2.45 pesos; uncontrolled-nontrade 3.10 pesos.

It is quite possible that the entire output will be retained for domestic consumption. Should a small quantity become available for export, European and North African buyers have expressed interest.

Animal fat production has been estimated unofficially for 1953 and forecast for 1954 as follows:

Commodity	Raw production	
	Short tons	
	1953	1954
Edible tallow		
Beef	25,350	20,950
Sheep	9,900	11,000
Inedible tallow		
Beef	6,600	4,960
Sheep	2,750	3,300
Hog lard, including rendered pork fat	1,650	1,400

Source: American Embassy estimates.

GREECE'S OILSEED
OUTPUT UP

Greece's vegetable oilseed production in 1953 is estimated at 101,500 short tons, an increase of 38 percent from the 73,300 tons produced in the preceding year, according to the American Embassy, Athens. The increase occurred mainly in cottonseed with 75,000 tons being produced last year. Output of sesame, next in importance, was 17,600 tons, followed by sunflower seed--3,800 tons, peanuts--3,800 tons, and flaxseed--39,000 bushels. Production of animal fats last year consisted of 1,800 tons of lard and 2,200 tons of other animal fats.

Sesame and peanuts are not crushed in Greece but are used, as such, mainly by the pastry industry. Thus, with an estimated 58,000 tons of cottonseed available for crushing, plus most of the sunflower and flaxseed, the indicated oil supply from domestic sources is 8,300 tons.

The Greek vegetable oil industry is principally a livestock feed industry with the emphasis on crushing oilseeds suitable for oilcake production. Output of olive oil, which is greatly preferred as a cooking fat, totaled 173,000 tons from last year's olive crop.

Imports of fats, oils and oilseeds into Greece included cottonseed--32,922 tons, flaxseed--144,916 bushels, sesame seed--191 tons, soybean oil--4,059 tons, and edible fats, including butter--851 tons. Seed oils in Greece are consumed principally as hydrogenated oils for cooking or as a butter substitute. Linseed oil, an exception, is used exclusively in paints.

MALAYAN COPRA AND COCONUT OIL
EXPORTS AND IMPORTS IN 1953

Malaya exported 67,953 long tons of copra and 61,410 long tons of coconut oil during 1953, reports Jack R. Johnstone, Agricultural Economic Officer, Singapore. Imports during the year amounted to 77,704 tons of copra and 632 tons of coconut oil. Net exports on a copra equivalent basis of 86,722 tons represents an increase of almost 15 percent from the net figure of the previous year. Despite this increase, however, net exports were only about 59 percent of the average for the 5 years 1935/39.

Table 1 - MALAYA: Copra exports and imports, average 1935-39, annual 1951-53

(Long tons)

Country	Average 1935-39	1951	1952	1953 1/
Exports				
Austria	-	9,840	550	-
Czechoslovakia	652	1,405	-	-
Denmark	2,050	13,630	2,200	6,870
France	8,578	2,726	8,080	300
Italy	11,322	9,901	2,150	4,516
Netherlands	28,956	8,435	6,650	11,394
Norway	4,703	400	1,300	1,550
Poland	3,358	2,100	1,600	2,000
Spain	-	353	5,074	3,639
Sweden	1,850	7,716	8,000	10,400
United Kingdom	57,750	20,310	16,167	7,440
Western Germany	46,384	8,240	4,650	11,306
Other Europe	2,825	-	26	-
India	535	-	1,325	2,802
Japan	2,483	510	788	3,269
Other Asia	959	3,155	1,533	-
Other countries	19,286	1,300	1,400	2,467
Total	191,691	90,021	61,493	67,953
Imports				
British possessions	10,617	13,024	9,875	5,231
Indonesia	105,500	85,915	78,642	68,907
Other countries	2,134	1,959	797	3,566
Total	118,251	100,898	89,314	77,704

1/ Preliminary.

Compiled from official statistics.

Table 2 - MALAYA: Coconut oil exports and imports, average 1935-39, annual 1951-53

(Long tons)

Country	Average 1935-39	1951	1952	1953 1/
Exports				
France	100	730	328	-
Italy	20	2,035	5,382	6,407
Netherlands	822	6,732	9,605	9,392
Sweden	185	4,116	776	2,115
United Kingdom	8,857	8,277	1,657	291
Western Germany	100	6,997	2,361	7,492
Other Europe	190	606	135	-
U.S.S.R.	-	350	-	-
Burma	3,908	13,738	22,317	9,700
China	2,028	0	0	5,781
Formosa	-	449	512	2,007
Hong Kong	1,391	2,717	3,155	1,160
India	22,500	12,708	11,380	13,130
Indonesia	3,119	596	371	-
Iraq	-	620	705	-
Pakistan	-	232	21	-
Egypt	3,295	3,659	3,551	653
Union of South Africa	325	120	638	1,122
Other countries	269	3,653	3,318	2,160
Total	47,109	68,335	66,212	61,410
Imports				
British possessions	16	30	581	612
Indonesia	328	10	10	0
Other countries	229	156	508	20
Total	573	196	1,099	632

1/ Preliminary.

Compiled from official statistics.

The Netherlands, Sweden and Western Germany were the major outlets for copra accounting for 48 percent of total Malayan exports in 1953. Exports of coconut oil to India, Burma, Netherlands, Italy and Germany amounted to 46,121 tons or three-fourths of the total movement.

The bulk of the copra imports was received from Indonesia--68,907 tons, and accounted for 89 percent of the total.

Malayan copra production in 1953 was reported at 151,796 long tons or only slightly less than the 1952. Production during the fourth quarter amounted to 43,435 tons and was about the same as in the previous quarter.

For the year 1953 coconut oil production, which is dependent upon both domestic and imported copra, was 95,922 tons or 10 percent less than in the previous year. This reduced production of oil was largely due to the failure of domestic mills to obtain adequate quantities of copra from Indonesia. Local copra supplies, however, are reported to have increased somewhat in recent months. Because of increased supply coconut oil production in the fourth quarter increased almost 10 percent above the preceding 3 months, and amounted to 30,548 tons.

To strengthen their competitive position in the export market, Singapore processors have constructed a bulking plant to reduce costs. Since the capacity of this installation is limited to 600 long tons, additional bulking capacity is contemplated.

The Singapore wholesale price of sun-dried copra moved generally upward from a low of M$33.00 per picul of 133.3 pounds (U.S. $185 per long ton) in August 1953 to a high of M$42.25 ($237) in late January 1954. Since then prices have declined and on March 4, 1954, copra was quoted in the local market at M$31.25 ($175)

A large drainage project, which affects most of the east coast of Johore, is reported under way. Coconut plantings in this area suffered extensive damage during the war. This program will eventually reclaim much land well suited to coconut production. No immediate effect on copra production can be expected, however, because of the long range aspects of the project.

PORTUGAL REPORTS RECORD
OLIVE OIL PRODUCTION

Portugal's olive oil production from the 1953 olive crop is estimated officially at 121,000 short tons, the largest on record, according to the American Embassy, Lisbon. This estimate is almost 30,000 tons less than the first estimate published in Foreign Crops and Markets of April 19, 1954, under the title "Mediterranean Olive Oil Production Abundant." However, this volume of oil is 110 percent above production from the 1952 crop and 3 percent higher than the previous record output from the 1951 olive crop. The final figure for 1952 was 57,700 tons of oil, the largest off-year production ever recorded.

The large production from the 1953 crop is due to good weather and less damage caused by the olive fly. The quality of the oil is considered good and comparable with the best years.

Stocks of olive oil on March 1, including those held by farmers for their own use, were estimated at 95,690 tons compared with 55,000 tons a year ago. About 55,000 tons of current stocks will be needed to meet local requirements until November when the new crop becomes available. Most of the balance will be necessary to supplement 1954 production which probably will be somewhat less than normal domestic consumption of around 80,000 tons.

Portugal exported 4,515 tons of edible olive oil in 1953 compared with 5,361 tons in 1952. Angola and Brazil were the major destinations.

Prices of edible olive oil local consumption continue to be the same as those fixed by the government on October 12, 1951. These prices will continue in effect until the new crop becomes available in November 1954.

The latest prices of edible olive oil for export are as follows:

To Brazil:

Within the agreement with Brazil--1,495.00 escudos f.o.b. Lisbon per case of 50 one-kilogram tins (47.5 cents per pound) 1.5 degrees acidity, subject to the following charges:

	Escudos per kilogram	U.S. cents per pound
For Guild of Wholesalers and Exporters of Olive Oil	1.00	1.60
National Olive Oil Board	.02	.03
Supply fund	4.47	7.09
	5.49	8.72

To other countries:

(a) 1,200 escudos f.o.b. Lisbon per case of 50 one-kilogram tins, 1.5 degrees acidity (38.1 cents per pound).

(b) U.S. $62.25 per drum of 100 kilograms f.o.b. Lisbon, 1.5 degrees acidity. (28.2 cents per pound).

Edible olive oil exported to countries other than Brazil are subject to the following charges:

	Escudos per kilogram	U.S. cents per pound
For Guild of Wholesalers and Exporters of Olive Oil	.10	.16
National Olive Oil Board	.02	.03
	.12	.19

Even at the low prices now being quoted by Portuguese exporters for olive oil in drums to countries other than Brazil, foreign importers claim that Spanish exporters are selling at 12 to 15 percent lower.

The Brazilian market for olive oil continues highly discouraging due to the Brazilian shortage of escudos and lower prices from other supplying sources, especially Spain. The same situation regarding prices applies to other importing countries.

Local exporters were hoping that the Portuguese Government would subsidize export prices up to a certain amount in order to reduce stocks which with the new crop will become a problem. However, the Government not only does not wish to subsize export prices, but the National Olive Oil Board has bought about 11,000 metric tons (12,125 short tons) on the open market in order to keep prices at the established level. The trade estimates that about 55,000 tons more have been sold by farmers to private buyers. Of the balance in their hands, 22,000 tons is estimated to be necessary for the farmers' own consumption, leaving about 33,000 tons as stocks. At present the market position is not acute but it will become so if the 1954 production approximates that of 1952.

Inedible olive oil production this season is estimated at 4,400 tons. Exports of inedible olive oil were prohibited from 1943 to 1949. In 1950 the increased availability of colonial oils, such as palm oil, for use in soap made possible the export of inedible olive oil. In 1953, 3,780 tons of oil were exported with the largest volume going to Italy.

ITALY'S OLIVE OIL, VEGETABLE
SEED OIL PRODUCTION UP SHARPLY

Italy's production of olive oil and other vegetable oils in 1953 was up sharply from 1952, according to Earl S. Fox, Assistant Agricultural Attache, American Embassy, Rome. Olive oil production from the 1953 olive crop is estimated preliminarily at 330,000 short tons or 65 percent larger than the 200,000 tons produced from the 1952 crop. This estimate is 30,000 tons more than the earlier figure published in Foreign Crops and Markets of April 19, 1954, in the article entitled "Mediterranean Olive Oil Production Abundant." Moreover, it is the second highest volume of production in postwar years, being exceeded only by the 390,000 tons produced from the 1951 crop.

Weather conditions were generally favorable and overall damage from the Dacus fly was lighter than previously reported. The quality of the crop is considered good; definitely better than a year ago.

Oilseed acreage in 1953 decreased by 18 percent but seed production increased by 9 percent. The relative importance of the various oilseeds remained much the same in 1953 as in 1952 excepting for castor, acreage and production of which roughly doubled. Although seeds such as tobacco, tomato, grape, rice, corn, etc., in the aggregate continue to be a relatively important source of oil, cottonseed, flaxseed, peanuts and sunflower seed are the principal domestic oilseeds. Production of the latter group totaled 49,310 tons in 1953 compared with about 45,000 tons in 1952.

Table 1 - ITALY: Oilseed Production,
1952 and 1953
(Short tons)

Oilseed	1952	1953	Oilseed	1952	1953
Peanuts	9,167	8,915	Castor beans	621	1,216
Sunflower	6,145	6,395	Hempseed	3,574	3,373
Sesame	410	561	Flaxseed	12,669	14,000
Soybeans	1,539	1,038	Cottonseed	10,865	13,812
Total				44,990	49,310

Source: Central Institute of Statistics

As a result of increased oilseed production and imports in 1953, vegetable oil production increased to 68,000 tons against 66,000 tons in 1952. The principal source of edible oil production in 1953 was sesame, most of which was imported; and the principal source of inedible seed oil was flaxseed, a substantial quantity of which also was imported.

Table 2 - ITALY: Vegetable oil production 1952 and 1953
(Short tons)

Seed oil	Vegetable oil production from				Total	
	Imported seed		Domestic seed			
	1952	1953	1952	1953	1952	1953
Edible						
Peanut	2,946	2,418	1,253	2,856	4,200	5,274
Sunflower	14	1,231	1,537	2,557	1,551	3,789
Sesame	3,575	11,090	177	241	3,751	11,332
Soybean	2	118	215	146	217	263
Rapeseed	171	384	-	-	171	384
Cottonseed	38	118	1,091	1,742	1,129	1,860
Hempseed	205	84	833	907	1,038	991
Poppyseed	523	948	-	-	522	948
Other	5,952	5,512	1/ 18,739	1/ 17,968	24,692	23,148
Total edible	13,426	21,903	23,845	26,417	37,271	47,989
Inedible						
Coconut	14,584	4,120	-	-	14,584	4,121
Palm	282	-	-	-	282	-
Castor bean	2,144	3,133	274	534	2,417	3,666
Mustard seed	358	103	-	656	358	758
Linseed	7,169	7,124	3,494	4,473	10,664	11,597
Total inedible	24,537	14,480	3,768	5,663	28,305	20,142
Grand total	37,963	36,383	27,613	32,080	65,576	68,131

1/ Rice and corn germ, grape, tomato, tobacco, seed cakes, etc.

Continued - -

Table continued - - -

Note: The totals represent the oil equivalent of imported oilseeds plus domestic seed production, less exports. There is no deduction for stock changes, seed used for planting or consumed directly, and other losses.

Source: Calculated by the Embassy on the basis of official data on oilseed production and imports.

Production of inedible tallow in 1953 is estimated at 8,800 tons, hog fat--61,730 tons, and butter--63,930 tons product weight. Maragine production in Italy is insignificant.

During 1953, Italy imported 16,381 tons of olive oil, largely from Algeria and France, and 9,439 tons of sulphur oil, largely from Portugal, Greece and Algeria. Exports of olive oil, excluding sulphur oil which was insignificant, totaled 11,700 tons. The United States and Brazil were the principal destinations, with the United States taking approximately 50 percent of the total exports.

Edible oilseed imports amounted to 58,476 tons and inedible, 34,915 tons, the former quantity representing an increase of 55 percent from the previous year and the latter a decrease of 6 percent. Total imports actually increased by 5 percent. As in 1952, sesame and peanuts were the principal edible oilseed imports. The significant change in oilseed imports was the sharp decrease in copra purchases, from 23,069 tons in 1952 to 6,540 in 1953, and the increase in sesame imports from 7,607 to 24,110 tons in the same years. China and Hong Kong supplied 83 percent of the sesame and Eritrea over half of the flaxseed. The United States accounted for about 50 percent of the cottonseed imports.

Purchases of fats and oils other than olive oil also increased compared with 1952. Imports of animal fats amounted to about 100,000 tons, inedible vegetable oils 57,320 tons and edible vegetable oils 33,000 tons. On the basis of weight, inedible tallow is the most important single fat-and-oil import. The United States supplied 75 percent of the 79,715 tons of tallow imported last year. New Zealand, the principal new source, supplied 11,116 tons.

Consumption of edible oils in 1952-53 is estimated by the Embassy at 363,760 tons and probably will be 385,800 tons in 1953-54. Consumption of animal fats in 1953 is roughly estimated at 253,530 tons. Total annual consumption of fats and oils is estimated at 716,495 tons, of which 496,000 tons are produced domestically.

Stock figures are not available for animal fats and are officially estimated only in the case of edible vegetable oils. Total stocks of edible vegetable oils (olive and seed oil) on November 1, 1953, were placed at 108,000 tons compared with 178,570 tons on November 1, 1952. Stocks next November 1 are expected to be about 141,000 tons.

Average wholesale prices for first and second quality olive oil in 1953 at selected markets ranged from 35,914 to 43,976 lire per quintal (26.1 to 31.9 cents per pound) and were generally 5 percent higher than 1952 prices. The following actions by the Government have had a stabilizing effect on olive oil prices: (1) licensing of seed oil imports, (2) raising the tariff on olive oil imports from 11 to 20 percent ad valorem, (3) raising the processing tax on liquid animal fats by 12,000 lire per quintal (8.7 cents per pound) and (4) the initiation of a voluntary olive oil pooling arrangement.

Generally, during the first quarter of 1954, prices of edible oils and oilseeds on the domestic market registered a "heavy tone." However, there is evidence that the market is improving, particularly for seed oils, because of a considerable reduction of stocks.

There have been no recent purchases of sizable quantities of crude oils or oilseeds. The only crude oil still arriving as of mid-April was linseed oil from Argentina selling at $174 per metric ton c.i.f. (7.9 cents per pound). There is some interest in sesame seed and other crude edible oils at "attractive prices."

Due to the firmness of the United States market, there have been no recent noteworthy purchases of inedible animal tallow. However, it seems likely that buyers will be compelled to purchase in the near future as stocks reportedly are diminishing rapidly.

GERMAN COTTON CONSUMPTION SHOWS SEASONAL DECLINE

Consumption of cotton in Germany, reported at 100,000 bales (of 500 pounds), represented a seasonal decline of 6,000 bales from consumption during the previous month, according to Arthur D. Foley, American Vice Consul, American Consulate General, Bremen. January imports of 119,000 bales were the highest for any month since World War II. Imports of 587,000 bales for the 6 months, August-January 1953-54, are 8 percent above the corresponding period of the previous year but are 21,000 bales less than mill consumption during the same period thus reducing stocks since last August.

Imports of 30,000 bales from the United States in January represented 26 percent of the total as compared with 113,000 bales or 19 percent for the August-January period. Major sources of imports during August-January were as follows with percentage of total in parentheses: Brazil 95,000 bales (16 percent), Mexico 60,000 (10), Egypt 56,000 (10), Turkey 46,000 (8), and Peru 35,000 (6). Other sources were the Belgian Congo 25,000 bales, Syria 23,000, Nicaragua 21,000, Afghanistan 20,000, Iran 16,000, Kenya-Uganda 14,000, and Pakistan 11,000.

Consumption of 100,000 bales in January made an August-January total of 608,000 bales compared with 525,000 for a corresponding period a year ago. Consumption in 1953-54 may reach 1,200,000 bales or 130,000 higher than in 1952-53.

Stocks on hand January 31 were reported at 194,000 bales. German leaders are advocating a return to the prewar policy under which importers held large stocks of cotton and served as a cotton supply center for Western Europe.

NETHERLANDS COTTON IMPORTS AND CONSUMPTION SLIGHTLY UP

Imports of 164,000 bales (500 pounds gross) of cotton into the Netherlands during August-January 1953-54 were 14,000 higher than those in a similar period a year ago, according to a report from George J. Dietz, Agricultural Attache, American Embassy, The Hague. Mill consumption during the same period, amounting to 170,000 bales (includes cotton waste), was 26,000 bales higher than during the corresponding period a year ago. Stocks on hand January 31, 1954, apparently were lower than those reported on August 1, 1953, but cannot be estimated accurately because mill stock and consumption figures include a heavy portion of cotton waste and port stocks include considerable amounts of cotton eventually shipped to other countries.

(Table on following Page)

NETHERLANDS: Imports of cotton from major countries of origin; average 1935-39; annual 1950-52; August-January 1952-53 and 1953-54

(Equivalent bales of 500 pounds gross)

Country of origin	Year beginning August 1					
	Average 1/ 1935-39	1950	1951	1952	August-January 1952-53	August-January 1953-54
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Argentina	7	10	0	5	2/	15
Belgium 3/	28	34	27	50	26	23
Brazil	23	8	12	0	4/	3
Egypt	5	21	7	21	8	10
India and Pakistan	39	11	3	20	8	6
Mexico	2/	4	1	12	5	32
Peru	9	5	3	16	10	9
United States	96	176	185	133	76	44
Other Countries	28	3	6	5/ 39	17	22
Total	235	272	244	296	150	164

1/ Calendar years. 2/ Less than 500 bales. 3/ Transshipments from Belgian Congo. 4/ If any, included in "Other Countries". 5/ Includes 13,000 bales from British East Africa.

Compiled from Jaarstatistiek van den in, uit-en Doorvoer, Nederland Maandstatistiek van den in, uit-en Doorvoer and official reports.

URUGUAY WOOL
SITUATION

Uruguay's wool clip estimated at about 200 million pounds for the 1953/54 season is the largest amount ever produced in that country, according to statistics recently released by the Uruguayan Ministry of Livestock and Agriculture. Also, the number of sheep shorn, given at 28.3 million head is without precedent, while the wool yield per animal is the highest for at least the last 4 years.

Wool marketing in Uruguay quickened in pace toward the end of March and early April. Off-shore demand was especially strong for finer grades. Improved prices brought forth the largest selling volume in many weeks.

Taking into consideration the size of the last clip, carry-over, exports through the end of March and probable consumption, roughly 132 million pounds of wool, greasy basis will be available for export for the period April through September. This would mean a monthly export average of around 22 million pounds if the new 1954-55 season is to start without carryin. Monthly exports during the October 1 to March 31 period averaged less than 10 million pounds. Even though the export pace has picked up recently, it is not likely to average 22 million pounds and the outlook is for sizable stocks on September 30.

The wool situation has been the subject of considerable parliamentary debate and official discussion during the past months. Of several plans aimed at raising prices of wool to the growers and thus stimulate exports only one was passed by the Chamber of Deputies. It is reported that this plan was approved by the Senate late in April; however, it must also be approved by the National Executive Council before it becomes effective. Approval by the Executive Council is considered doubtful.

The plan in question provides for an export exchange rate for greasy wool equivalent to about 1.67 peso to the dollar as compared to the present rate of 1.519. The base rate for all commodities exported is reported to be around 1.86, raw wool has traditionally been given the lowest rate of all commodities. In addition to the increase in exchange rate, half of the duties and taxes now applied on raw wool exports would be lifted. In aggregate this amounts to a tax saving of roughly 4 to 5 cents per pound of wool. With respect to washed wool, tops and other processed wool, the Executive power would be permitted to adjust the exchange rate in accordance with the amount of raw wool employed in the manufacture of these commodities. In other words with approval of this proposal raw wool would set the exchange rate pattern for all wool exports. . .By Q. M. Morgan, based on a report by Dale E. Farringer, Agricultural Attache, American Embassy, Montevideo, Uruguay.